

EDUCATION SAVINGS ACCOUNTS

• Mr. KENNEDY. Mr. President, I oppose the Coverdell bill because it uses regressive tax policy to subsidize vouchers for private schools. It does not give any real financial help to low-income, working and middle-class families, and it does not help children in the nation's classrooms. What it does is provide yet another tax give-away for the wealthy.

Public education is one of the great successes of American democracy. It makes no sense for Congress to undermine it. This bill turns its back on the nation's long-standing support of public schools and earmarks tax dollars for private schools. This is a fundamental step in the wrong direction for education and for the nation's children.

Proponents of the bill argue that assistance is available for families to send their children to any school, public or private. But that argument is false. The fact is that public schools do not charge tuition. Therefore, the 90% of the nation's children who attend public schools do not need help in paying tuition. Even worse, the people helped most by this proposal are families in high income brackets—and these families can already afford to send their children to private school.

The nation's children deserve good public schools, safe public schools, well-trained teachers, and a good education. Private school vouchers disguised as IRAs will undermine all of those essential goals by undermining the public schools, not helping them.

We all want the nation's children to get the best possible education. We should be doing more—much more—to support efforts to improve local schools. We should oppose any plan that would undermine those efforts.

Scarce tax dollars should be targeted to public schools. They don't have the luxury of closing their doors to students who pose special challenges, such as children with disabilities, limited English-proficient children, or homeless students. Vouchers will not help children who need help the most.

Proponents of the bill argue that vouchers increase choice for parents. But parental choice is a mirage. Private schools apply different rules than public schools. Public schools must accept all children. Private schools can decide whether to accept a child or not. The real choice goes to the schools, not the parents. The better the private school, the more parents and students are turned away.

In fact, many private schools require children to take rigorous achievement tests, at the parents' expense, as a basis for admission to the private schools. Lengthy interviews and complex selection processes are often mandatory. Private schools impose many barriers to admission. Few parents can even get to the schoolhouse door to find out if it is open to their child. For the vast majority of families with children in public schools, the so-called "school choice" offered by the voucher scheme is a hollow choice.

Public schools must take all children, and build a program to meet each of their needs. Private schools only take children who fit the guidelines of their existing programs. We should not use public tax dollars to support schools that select some children, and reject others.

Senator COVERDELL's proposal would spend 2.5 billion dollars over the next five years on subsidies to help wealthy people pay the private school expenses they already pay, and do nothing to help children in public schools get a better education.

It is important to continue the national investment in children and their future. We should invest more in improving public schools by fixing leaky roofs and crumbling buildings, by recruiting and preparing excellent teachers, and by taking many other steps. We should not invest in bad education policy and bad tax policy.

We know that at the current time, 14 million children in one-third of the nation's schools are learning in substandard facilities. Over half of all schools report at least one major building in disrepair, with cracked foundations, or leaking roofs, or other major problems. If we have 2.5 billion more dollars to spend on elementary and secondary education, we should spend it to deal with these problems.

During the next decade, because of rising student enrollments and rising teacher retirements, the nation will need over 2 million new teachers. Yet today, more than 50,000 underprepared teachers enter the classroom every year. Students in inner-city schools have only a 50% chance of being taught by a qualified science or math teacher. We should support teachers and rebuild our schools—not build tax shelters for the wealthy.

It is clear that this proposal disproportionately benefits wealthy families. The majority of the tax benefits would go to families in high income brackets. These families can already afford to send their children to private school.

Working families and low-income families do not have enough assets and savings to participate in this IRA scheme. This regressive bill does not help working families struggling to pay day to day expenses during their children's school years.

The majority of families will get almost no tax break from this legislation. 70 percent of the benefit goes to families in the top 20 percent of the income bracket. Families earning less than \$50,000 a year will get a tax cut of \$2.50 from this legislation—\$2.50. You can't even buy a good box of crayons for that amount. Families in the lowest income brackets—those making less than \$17,000 a year—will get a tax cut of all of \$1—\$1. But, a family earning over \$100,000 will get \$97.

Even many families who can save enough to be able to participate in this IRA scheme will receive little benefit. IRAs work best when the investment is

long-term. But in this scheme, money will be taken out each year of a child's education. Only the wealthiest families will be able to take advantage of this tax-free savings account.

In addition, "qualified expenses" are defined so broadly in this bill, that parents could justify almost any expense even remotely connected to the costs of elementary and secondary education, creating a large loophole for people to spend funds in ways not intended.

In order to guard against fraud and abuse, the IRS would have to take on more tax audits of families that establish these accounts. The IRS will have to ask what school a child attends, what expenses the parents actually incurred, and whether the accounts were properly set up and used.

This bill is bad tax policy and bad education policy. It does not improve public education for the 90 percent of children who go to public schools. It is a waste of scarce tax dollars.

Education reform should help education, not undermine it. Students need to master the basics, meet high standards, and be taught by well-trained teachers. We need to hold schools accountable for results, and create safe buildings and learning environments.

This bill is simply private school vouchers under another name. It is wrong for Congress to subsidize private schools. We should improve our public schools—not abandon them. •

A FITTING NEW HAMPSHIRE TRIBUTE FOR FALLEN AMERICAN HERO

• Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to the memory of Sgt. William Roy Pearson, USAF. Earlier today, his remains were returned to his native town of Webster, New Hampshire where he will finally be properly laid to rest with full military honors this weekend, more than 25 years following his tragic loss in Vietnam.

Sergeant Pearson was the all American boy who grew up in a small, New Hampshire town, played varsity baseball and soccer all four years at Merrimack Valley High School, and then, like his father before him, went off to serve his country in time of war. As an Air Force Pararescue "Maroon Beret", he was awarded a Silver Star, Purple Heart, two Distinguished Flying Crosses, and five air medals for his actions. To Sergeant Pearson, living up to the USAF Pararescuemen motto—"that others may live"—was a daily routine in the jungles of Vietnam.

Then came the tragic day on April 6, 1972 when once again his unit was called upon to rescue a downed U.S. Air Force pilot whose rescue story was later depicted in the movie, BAT-21. During the rescue attempt conducted by Sergeant Pearson and his crewmembers, the Jolly Green was shot down by enemy fire, killing those on